NO. 92-1126

Supreme Court, U.S.
FILED
DEC 28 1992
OFFICE OF THE CLERK

IN THE SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1992

GEORGIA GOODIN, Petitioner

V.

LOUIS W. SULLIVAN, SECRETARY
OF HEALTH AND HUMAN SERVICES

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE EIGHTH CIRCUIT

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26 pp

QUESTION PRESENTED

What is the proper definition of "prevailing party" under the Equal Access to Justice Act?

TABLE OF CONTENTS

Page

Opinions below.....4

Jurisdiction.....4

Statutes involved.....5

Statement.....5-8

Reasons for granting the petition...8-14

Conclusion.....15

Appendix.....16-25

TABLE OF AUTHORITIES

Cases	Page
Brown v. Secretary of Health and Human Human Services, 747 F. 2d 878 (3d Cir. 1984)	9
Decker v. Sullivan, (C.A. 8), No. 91-3340 (September 29, 1992)	15
Green v. Bowen, 877 F. 2d 204 (2d Cir. 1989)	9
McGill v. Secretary of Health and Human Services, 712 F. 2d 28 (2d Cir. 1983)	9
Millbrook v. Heckler, 780 F. 2d 1371 (8th Cir. 1986)	10
Millbrook v. Sullivan, No. 92-369 (August 25, 1992)	14
Rollins v. Sullivan, 784 F. Supp. 253 (E.D. Pa. 1991)	9
Solely v. Bowen, 873 F. 2d 1153 (8th Cir. 1989)	11
Swedberg v. Bowen, 804 F. 2d 432 (8th Cir. 1986)	9
Texas State Teacher Association v. Garland Independent School District, 109 S. Ct. 1486 (1989)	9

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Appellant petitions for a writ of certiorari to review the judgment of the United States Court of Appeals for the Eighth Circuit in this case.

OPINIONS BELOW

The opinion of the Court of Appeals is published, but is also attached hereto as Appendix A. The Order denying Petition Rehearing is attached hereto as Appendix B.

JURISDICTION

The judgment of the Court of Appeals (App. A) was entered October 9, 1992. The

jurisdiction of this Court is invoked under 28 U.S.C. 1254 (1).

STATUTES INVOLVED

The relevant provisions of 28 U.S.C.A. § 2412 are set forth in Appendix C.

STATEMENT

This case concerns 28 U.S.C.A. § 2412, which involves attorney's fees and costs under the Equal Access to Justice Act. The history of this case is lengthy and complex. On 4/26/76 the claimant applied for disability insurance benefits (DIB). She last met the insured status requirements on 9/30/73. The claim was denied by SSA both initially and on reconsideration. After a hearing, the ALJ determined on 5/31/77 that claimant was not disabled at any time prior to the expiration of her insured status. Claimant then filed an action in the U. S. District Court, and when the Secretary's decision was upheld, appealed to the U. S.

Court of Appeals, which affirmed the District Court on 9/2/80.

Claimant filed another application for DIB benefits on 9/25/80. This claim was appealed through the reconsideration level, and on 3/11/81, the ALJ dismissed the claim as res judicata as to the existence of a disability on or before the date her insured status expired, which was 9/70/73.

On 5/5/87, claimant filed another claim for DIB benefits, after the discovery and surgical removal of a brain tumor determined to be in existence prior to or at the time the claimant's insured status expired. On 6/9/87, the claimant was denied by SSA initially, and denied upon reconsideration on 7/29/87. Claimant requested a hearing before an ALJ, which was held on 11/5/87. However on 2/24/88, the ALJ issued an order dismissing the hearing request based on res judicata, concluding that the material facts

presented in the 1987 claim were the same as those presented in the initial claim, and that the prior decision could not be reopened.

On 2/26/88, the claimant requested a review of the Order of Dismissal, which was denied by the Appeals Council on 5/11/88. On 7/8/88, claimant commenced a civil action in District Court. On 11/18/88, the District Court determined that it had no jurisdiction to review the Secretary's decision not to reopen the earlier application, because the Court did not believe the Secretary had made its materiality and relevancy determinations after reconsidering the prior application "on the merits."

On 3/16/88, claimant filed another application for DIB benefits, alleging disability since 1970. SSA denied the claim initially and upon reconsideration. Claimant requested a hearing, and on 7/31/89 the ALJ issued a Notice of

Dismissal based on res judicata, once again. Claimant requested that the Appeals Council review the ALJ's decision, and on 1/29/90 the Appeals Council issued a decision remanding the case back to the Law Judge for Further proceedings due to new and material facts which precluded application of res judicata.

A supplemental hearing was held on 5/17/90, but the case was once again denied by the ALJ on 7/30/90 who concluded that claimant was not entitled to benefits based on her 5/5/87 application. Claimant appealed, and the Appeals Council reversed the ALJ and awarded benefits to the claimant based on her 5/5/87 application, finding that claimant had been disabled since 1970.

On 6/19/91 claimant moved the District Court to dismiss the civil action, and on 6/24/91 the Court granted claimant's motion to dismiss, after which claimant filed her motion for EAJA fees

(AP 97-128). The District Court awarded EAJA fees and costs on 9/9/91. After the Secretary filed a Motion to Alter Order on 9/23/91, the District Court, albeit reluctantly, withdrew its award of EAJA fees.

Claimant appealed the District Court's final order withdrawing EAJA fees to the Eighth Circuit Court of Appeals. On 10/9/92 the Eighth Circuit denied claimant's motion for EAJA fees stating that claimant was not a "prevailing party" under the status. The claimant requested a rehearing, but her petition for rehearing was denied. This appeal followed.

REASONS FOR GRANTING THE PETITION

The question as to whether Ms. Goodin is entitled to an award of attorney's fees and costs under the EAJA turns on whether Mr. Millbrook can be considered "a prevailing party" under the EAJA.

The Courts which have decided this

The Courts which have decided this issue have held that a claimant becomes a "prevailing party" when an affirmative decision is made that she is entitled to the benefits she seeks. Rollins v. Sullivan, 784 F. Supp. 253 (E.D. Pa. 1991); Brown v. Secretary of Health and Human Services, 747 F. 2d 878 (3d Cir. 1984); McGill v. Secretary of Health and Human Services, 712 F. 2d 28 (2d Cir. 1983); Green v. Bowen, 877 F. 2d 204 (2d Cir. 1989); Texas State Teacher Association v. Garland Independent School District, 109 S. Ct. 1486 (1989); Swedberg v. Bowen, 804 F. 2d 432 (8th Cir. 1986).

Ms. Goodin's status as a "prevailing party" is not dependent on an affirmative court decision. Rather, the key factor is that the she ultimately received the benefits she sought for the period of time originally appealed to the Court in Millbrook v. Heckler, 780 F. 2d 1371 (8th Cir. 1986).

In Green v. Bowen, 877 F. 2d 204 (2d Cir. 1989), the Second Circuit Court of Appeals "[found] nothing in the EAJA that requires that a party prevail in a civil action reviewing a final agency determination." Citing the United States Supreme Court's decision in Texas State Teachers Association v. Garland Independent School District, 109 S. Ct. 1486 (1989), the Second Circuit concluded that if the claimant succeeded on a significant issue in litigation and achieved some of the benefit he sought in bringing suit, he was entitled to an award under the EAJA.

The Eighth Circuit determined that Ms. Goodin had not attained "prevailing party" status. But, if a claimant achieves success on a significant issue, either in or out of Court, then she is a prevailing party so long as this success was not completely unrelated to the litigation.

The only occasions where attorney's fees have not been granted have been when the claimant's only success is on a claim not originally sought in the litigation, Swedberg v. Bowen, 804 F. 2d 432 (8th Cir. 1986), or when success resulted solely from an independent change in law such that the claimant would have received the requested benefits even if suit had never been filed. Solely v. Bowen, 873 F. 2d 1153 (8th Cir. 1989).

In the case at hand, the ultimate success of the claim was directly related to the litigation. Ms. Goodin ultimately prevailed on the exact issue pursued through the litigation. The Social Security Administration ultimately reversed their previous denials of the claim filed by Ms. Goodin and allowed her to prevail on all issues.

The purpose of the EAJA is to encourage government agencies to act in an equitable manner and not to unreasonably

create the necessity for litigation. Brown v. Secretary of Health and Human Services, 747 F. 2d 878 at 880 (3d Cir. 1984), (citing H.R. Rep. No. 1418, 96th Cong., 2d Sess. 12 reprinted in 1980 U.S. Code Cong. and Ad. News, 4953, 4991). This case supports the legal principal that attorney's fees be awarded to Ms. Goodin for prevailing on the issue of the whether she was disabled from 1973 through the present time.

In Texas State Teachers v. Garland Independent School District, 109 U.S. 1486, 1493 (1989), the U. S. Supreme Court stated:

> " . . . The touchstone of the prevailing party inquiry must be the material alteration of the legal relationship of the parties in a manner which Congress sought to promote in the fee statute. Where such a change has occurred, the degree of the plaintiff's overall success goes to the reasonableness of the award under Hensley, not to the availability of a fee award vel non."

It is Ms. Goodin's overall success which should be viewed in this instance.

She was ultimately awarded all benefits which he sought, after nearly 20 years of litigation! She is a prevailing party for the purposes of an award of attorney's fees even though it was not the Court that made the award, but rather the administrative agency.

Here is the irony of this case: a party has a claim against an administrative agency; the claimant loses all the way through the Courts. Next, the claimant refiles alleging the original onset date, then the agency agrees with the claimant and awards benefits that the claimant sought in the initial claim.

But when the agency is requested to pay the costs and attorney's fees under the EAJA because the claimant was a prevailing party, the agency says: "No." We ask the Court to say: "Yes." Because to do otherwise would leave a "loophole" in the EAJA award system.

A case very similar to the instant case is Millbrook v. Heckler, 780 F. 2d 1371 (8th Cir. 1986). The U. S. Supreme Court recently denied a petition for writ of certiorari in the Millbrook case. Theodis Millbrook v. Louis W. Sullivan, Secretary of Health and Human Services, No. 92-369 (Aug. 25, 1992).

Another case on the same issue, but not exactly on point, is Decker v. Sullivan, (C.A. 8), No. 91-3340, September 29, 1992, where the claimant filed a second application and the two claims were consolidated--the EAJA and the second claim--and the ultimate consolidation of the two application proceedings did not provide a sufficient linkage to warrant an award of attorney fees for services rendered in both proceedings.

To avoid an inequitable result, George Goodin urges the Court to grant her Petition for a Writ of Certiorari so that there will be consistency among all

circuits as to the proper definition of "prevailing party" under the EAJA.

CONCLUSION

The Petition for a Writ of Certiorari should be granted.

Respectfully Submitted,

ORIGINAL SIGNED BY

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December ~~November~~ 24, 1992.

APPENDIX A

United States Court of Appeals
FOR THE EIGHTH CIRCUIT

NO. 92-1217	*	
	*	
Georgia Goodin	*	
	*	Appeal from the
Appellant,	*	United States
	*	District Court for
vs.	*	the Eastern
	*	District of
Secretary of Health	*	Arkansas
and Human Services,	*	
	*	[PUBLISHED]
Appellee	*	

Submitted: June 4, 1992
Filed: October 9, 1992

Before MCMILLIAN, WOLLMAN, and LOKEN, Circuit Judges.

PER CURIAM.

Georgia Goodin, a recipient of social security disability benefits, appeals the district court's[1] denial of her

1. The HONORABLE HENRY WOODS, United States District Judge for the Eastern District of Arkansas.

application for attorney's fees and costs under the Equal Access to Justice Act (EAJA), 28 U.S.C. § 2412. We affirm.

In April 1978, Goodin filed her first application for disability insurance benefits alleging disability from March 1970. The Social Security Administration denied her application initially, on reconsideration and after a hearing. The Administrative Law Judge (ALJ) found Goodin was not disabled at any time prior to the September 30, 1973 expiration of her insured status. Goodin sought judicial review. The district court upheld the denial of benefits, and this court affirmed. Good v. Harris, no. 79-1933 (8th Cir. September 2, 1980) (unpublished per curiam).

In September 1980, Goodin filed her second application for benefits. The ALJ denied her claim on the ground of res judicata. In May 1987, after a brain tumor was discovered and surgically

removed, Goodin filed a third application. Goodin claimed that the tumor was in existence at the time her insured status expired. After exhausting her administrative appeals, Goodin again sought judicial review of the Secretary's refusal to reopen her claim. In November 1988, the district court granted the Secretary's motion to dismiss, concluding that it lacked subject matter jurisdiction. Goodin did not appeal the dismissal.

In March 1988, during the pendency of the district court proceedings on her third application, Goodin filed her fourth application for benefits. The Secretary denied her claim initially and on reconsideration. In July 1989, the ALJ denied her request for a hearing, again on the ground of res judicata. The ALJ concluded that, because more than four years had elapsed since the date of the initial determination on Goodin's first

application, the hearing decision could not be reopened, see 20 C.F.R. § 404.988 (1989), and that the new evidence was insufficient to constitute good cause to reopen, see 20 C.F.R. § 404.989 (1989). In January 1990, the Appeals Council remanded the case to the ALJ for further proceedings, concluding the new and material facts precluded the application of res judicata.

A different ALJ conducted a hearing and denied benefits on the basis of the May 1987 application. In May 1991, the Appeals Council reversed and awarded benefits from march 31, 1970. Although it does not appear that there was a pending case in the district court, Goodin then moved to dismiss the civil action on the basis of the Secretary's award of benefits, and the district court signed the order of dismissal on June 21, 1991.

On June 25, 1991, Goodin filed her EAJA application. The Secretary argued

that EAJA fees should be denied because Goodin was not a "prevailing party" in a "civil action" under 28 U.S.C. § 2412 (d) (1) (A), and her application was not filed within thirty days after the final judgment on November 18, 1988. In opposition, Goodin argued that she was a prevailing party because she successfully obtained an award of benefits.

The district court denied an award of EAJA fees, concluding that, even assuming Goodin was a prevailing party, the activity in federal court was not a "contributing factor" in bringing about the administrative action which ultimately resulted in an award of benefits. On appeal the parties reiterate their arguments to the district court.

This court reviews the denial of an EAJA award under an abuse-of-discretion standard. Gamber v. Bowen, 823 F. 2d 242, 244 (8th Cir. 1987). Under section 2412 (d) (1) (A), "[A] court shall award to a

prevailing party . . . fees and other expenses. . . incurred by that party in any civil action . . . including proceedings for judicial review of agency action." Although Goodin ultimately prevailed in obtaining benefits, the district court's initial affirmance of the denial of benefits and its subsequent dismissal for lack of jurisdiction did not contribute to the agency's ultimate award of benefits. Goodin "obtained nothing more in the administrative proceedings than [s]he would have without" the federal court action. Rodabaugh v. Sullivan, 943 F. 2d 855, 858 n. 3 (8th Cir. 1991). Thus, Goodin was not a "prevailing party . . . in a civil action" under the statute.

Accordingly, we affirm.

A true copy.

Attest:

CLERK, U. S. COURT OF APPEALS,

EIGHTH CIRCUIT.

APPENDIX B

United States Court of Appeals
FOR THE EIGHTH CIRCUIT

NO. 92-1217EAJ	*	
	*	
Georgia Goodin	*	
	*	Order Denying
Appellant,	*	Petition for
	*	Rehearing and
vs.	*	Suggestion for
	*	Rehearing
Secretary of Health	*	En Banc
and Human Services,	*	
	*	
Appellee	*	

The suggestion for rehearing en banc is denied. The petition for rehearing is also denied.

November 16, 1992
Order Entered at the Direction of the Court:
/Michael E. Gans/
Clerk, U. S. Court of Appeals, Eighth Circuit

APPENDIX C

28 U.S.C.A. § 2412 provides:

"**§ 2412. Costs and fees**

(a) Except as otherwise specifically provided by statute, a judgment for costs, as enumerated in section 1920 of this title, but not including the fees and expenses of attorneys, may be awarded to the prevailing party in any civil action brought by or against the United States or any agency or any official of the United States acting in his or her official capacity in any court having jurisdiction of such action. A judgment for costs when taxed against the United States shall, in an amount established by statute, court rule, or order, be limited to reimbursing in whole or in part the prevailing party for the costs incurred by such party in the litigation.

(b) Unless expressly prohibited by statute, a court may award reasonable fees and expenses of attorneys, in addition to the costs which may be awarded pursuant to subsection (a), to the prevailing party in any civil action brought by or against the United States or any agency or any official of the United States acting in his or her official capacity in any court having jurisdiction of such action. The United States shall be liable for such fees and expenses to the same extent that any other party would be liable under the common law or under the terms of any statute which specifically provides for such an award.

. . . . "